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be, where the same or nearly the same proportion of the value of the net premiums is always retained. In short, it cannot be too carefully borne in mind that the only means we have in this business of judging as to the future must be derived from a vigilant observation of what has taken place in circumstances as nearly as possible of a similar character, and that thus it behoves us to make from time to time investigations with this object, and to effect such changes in the provision for future liabilities as may thereupon be found necessary, taking care to retain the same or as nearly the same proportionate margin as practicable, to guard against those fluctuations which we know may occur, let the measures based upon our knowledge of the past be as accurate and judicious as they may. We thus virtually exercise a power of raising or depressing the future premiums as the necessities of the case may demand; or, what is the same thing, we increase or diminish the returns of surplus in obedience to the dictates of our experience and in accordance with the law which regulates it, fulfilling in this way, and obviously in the proper manner, the very objects with which the marginal additions were originally made.—ED. A. M.

Assurance Association of Germany.

IN the January number of the *Rundschau der Versicherungen* was given an account of a meeting of the representatives of the Fire Assurance Companies of Germany, held at Leipzig, for the purpose of forming an Association. The object of this union will be seen in the following statement, which appeared in the number of the above work for March:—

“MEETING AT LEIPZIG, 13 DECEMBER, 1852.

“*Present*—

- “HERR HOFRATH BECKER, from Gotha, Manager of the Feuerversicherungs Bank fur Deutschland, in Gotha.
- “HERR GENERAL CONSUL LEMONIUS, from Stettin, Manager of the Preuss. National Versicherungs-Gesellschaft, in Stettin.
- “HERR DIRECTOR KUNTZE, of Leipzig, of the Leipziger Feuerversicherungs Anstalt.
- “HERR RENT-AMTMANN BRUNNER, of Leipzig.
- “HERR DR. SCHULTZE, of Leipzig, Manager of the Brandversicherungs Bank fur Deutschland, in Leipzig.
- “HERR FRIED. KNÖBLAUCH, from Magdeburg, General Manager of the Magdeburger Feuerversicherungs Gesellschaft; also specially appointed Representative of the Schlesischen Feuerversicherungs Gesellschaft, in Breslau.

“At a Committee for the formation of an Assurance Association of Germany, the Magdeburg Fire Insurance Company was selected

by the representatives of 15 Insurance Companies to conduct the business, and undertook the charge to invite the co-operation of the remaining German Assurance Companies, and to frame an outline of the statutes, which might be laid before the future general meeting to consider and determine upon, in order definitively to constitute the Association.

“In carrying out this commission, the Magdeburg Fire Insurance Company has met with many difficulties, and has therefore been obliged to request the representatives of those Companies of whom the Committee is formed to meet in a conference, and to invite them to the present meeting in Leipzig.

“Besides the above-mentioned Companies, the Vaterlandische Fire Assurance Company in Elberfeld was also invited to this conference, but has, to our great regret, declined. The Schlesische Fire Insurance Company stated that they were prevented sending any one of their managers in particular, and have therefore entrusted Herr Knöblach specially to be their representative.

“Herr Knöblach opened the conference with expressing his heartfelt thanks, as well for the trust reposed in making choice of his Company to conduct the preliminary business of the Association, as also for the friendly support which they had given to him personally. He then fully explained the steps already taken towards the establishment of the Association, and of the results which had attended them.

“He then proceeded to explain that amongst the Marine Insurance Companies of Germany there was no disposition to institute a general Assurance Association; and it must be acknowledged that only very small points, of subordinate importance, will be found, in which the Marine have a common interest with the Fire Insurance Companies. They have the less inducement to take part in these measures, inasmuch as the Marine Insurance Companies have already formed an union amongst themselves, by means of which, at their periodical meetings, information may be communicated and regulations framed for the management of the business by general consent. In a similar manner, only a slight degree of interest is taken in the subject by the Companies conducting the business of annuities, and the assurance of capital sums and funds for provision for old age, endowments, and sums payable on death. The most important of these institutions have declined the proposed union with Companies embracing the other branches of assurance. Not much greater interest is felt by the Transport Insurance Companies, by land, sea,

or river, which have also entered into a close union amongst themselves.

“It is true there are several of the Hail and of the few existing Cattle Insurance Companies which have already joined themselves in a friendly manner to the Association ; but the members present are unanimously of opinion, after relation of these facts, that in this state of affairs the idea of uniting all the different branches of assurance in a general Association for their common interests, as it is found to be impracticable, must, we regret to say, be given up.

“The present representatives of the different Fire Insurance Companies decide therefore now to use their united efforts in the formation and regulation of an Association of German Fire Insurance Companies, and to renew, in the names of the Companies represented by them, the authority to the Magdeburg Fire Insurance Company to act in the preliminary arrangements.

“This Society is thereby empowered, with the concurrence of all the Companies hitherto invited to the formation of the proposed German Assurance Association, to print this declaration ; to make known the change in the plan of the Association, especially to all those Fire Assurance Companies which, though members of the Committee, could not be invited to the present conference by reason of distance ; to inform them of the present decision, and to seek their co-operation for the Association as confined to the narrower limits now marked out for it ; and earnestly to invite the assistance of all other Fire Assurance Companies, whether they have already signified their concurrence with the German Assurance Association or intimated their intention to do so.

“The next question is, whether it is desirable to restrict the new Association to the fire insurance branch only of the private proprietary and mutual Companies, or whether to solicit the concurrence of the state, town, provincial, and other public institutions of this nature. The members present are unanimously of opinion that the support of these last-mentioned Companies in the Association is much to be desired, so as to extend it as much as possible to the whole assurance interest of Germany ; and that the Association will thus have the fairest prospect of complete success. They would therefore not only justify the steps already taken by the Company which has undertaken this business, towards securing the aid of the State authorities, but it would be made a peculiar and pressing duty to continue in the most urgent manner their endeavours in this direction.

“The next question to be considered by the conference is, what should be the principal aim and object of the new Association? It was agreed that it was peculiarly important to gain, by means of the Association, a moral strength, and for this purpose two objects should be kept in view. In the first place, and principally, it should be the task of the Association, from its high position, supported by the practical experience of its members, to obtain from the State authorities of all German States an improvement in the legislation, to correct defects, to work out a removal of oppressive and unjust enactments, and, lastly, to endeavour as far as possible to establish a general system of legislation for assurance in Germany; in the next place, that moral force should be employed to create, both amongst the various private Assurance Companies and those connected with the public institutions, a better understanding than has hitherto prevailed, and co-operation for the common purpose in view; and, above all, that the misunderstandings which have several times recently interrupted the harmony between private Assurance Companies, and which have been a scandal to the public, might in future be altogether banished.

“It must be acknowledged that a unity of action and interests, and, above all, an assimilation of the premiums to be charged, cannot be the duty of the Association; but all who are present will recognize the importance and desirability of the members coming to a general resolution on the ordinary conditions to be inserted in policies, so that thereby a want very much felt by the public might be supplied.

“Lastly, those present decide that, for the maintenance of a good understanding, the members, whether official representatives or agents who have hitherto been actively engaged in forming another Society, should come to a mutual agreement only to proceed therewith, either with the full concurrence of the above Association, or after allowing a space of at least three months to elapse from the time of their leaving the earlier Association.

“We consider the outline of the statutes which the Company by whom the preliminaries of this business have been arranged has laid before us, to be too complicated; and it is besides evident, that by the restriction of the objects of the Association, which has now only to do with the fire insurance branch, a great simplification may and ought to be effected in the statutes.

“The manager of the Gotha Bank, Herr Hofrath Becker, has framed an outline of regulations, which is offered for consideration.

This plan is recommended by its simplicity, and it may be decided not to discuss the different clauses to-day (for we do not consider ourselves called for this purpose) ; but it may be advisable to print it and send it round with the present declaration, that it may serve as the groundwork of further deliberation in the general meeting to be appointed.

“It will be observed that the sketch of Herr Becker has the advantage of not going into the particulars of the organization which it more properly belongs to the general meeting to agree upon. The question whether the future management of the Association should be confided to the members themselves, with a rotation every year, or whether a permanent Manager should be chosen, with a corresponding income attaching to the appointment, will also be settled by the general meeting.

“No doubt can be entertained that it is most important and desirable that the Association should establish a scientific organ—a periodical in which the members may record the results of their experience, and thereby enable interesting questions, which relate to the assurance business, to be treated of with intelligence for the common good. This periodical should be sent out free, and a price covering the costs should be charged to the members, according to the number of copies which they may require.

“The Manager of the Association (whose duty it should be also to edit the periodical) would have to put himself in friendly communication with other branches of assurance already existing, or with Associations which may hereafter be formed, as well as with similar Associations in other countries—in England (with the Institute of Actuaries) and in France, &c. The information thus acquired by him may be rendered useful to the periodical. The operations of the fire insurance branch should by preference be kept in view ; but subjects which are interesting to other branches of assurance may also be treated of, and its pages may be open to the discussion of topics connected with the whole business of assurance.

“Since the management of the Association—in its correspondence with the State authorities, in its efforts to procure a co-operation on the subject of legislation—will demand the performance of important, comprehensive, and laborious duties ; and since, further, the editing of this periodical in the manner we have described will require great skill and energy—it seems absolutely necessary that for these objects, for the management of affairs, and direction of

the Association, a qualified person, who might act independently and give his whole attention to the interests of the body, should be engaged. Since such a person will take a very prominent position, requiring confidence in the members, in the public, and in the State authorities, he should receive a corresponding salary.

"The more minute details of the appointment, and the election, must, as has been already explained, necessarily remain to be decided by the general meeting.

"All those Fire Assurance Institutions which may decide to join the new proposed Association shall be invited to a general meeting, to be held at Berlin on Friday, the 6th May next, the locality and time to be named in the invitations. We believe that the meeting must be adjourned to so late a period, not only because the previous negotiations will require a considerable time, but also because the general meetings of most of the Fire Assurance Companies are held in March and April, and it is desirable that these should be first concluded.

"BECKER, Manager of the Feuerversicherungs Bank für Deutschland, in Gotha.

"LEMONIUS, Manager of the National Versicherungs Gesellschaft, in Stettin.

"W. F. KUNTZE, Manager of the Leipziger Feuerversicherungs Anstalt for the Brandversicherungs Bank für Deutschland.

"FRANZ. BRUNNER.

"D. SCHULTZE.

"FRIED. KNÖBLAUCH, General Manager of the Magdeburger Feuerversicherungs Gesellschaft, and as Representative for the Schlesischen Feuerversicherungs Gesellschaft."

"Outline of a Plan for the Association of German Assurance Companies, proposed by the Versicherungs Bank für Deutschland, in Gotha (through their Manager, Herr Hofrath Becker), at the Conference at Leipzig, 13th December, 1852.

"Sect. 1.—For the purpose of common deliberation and mutual co-operation, as well in reference to theory as practice, an Association of German Assurance Companies shall be established.

"Sect. 2.—Every duly authorized Fire Insurance Company having their principal office in Germany may be a member, whether it be purely mutual or purely proprietary, or a mixed Com-

pany, or whether it be a state, provincial, town or commune, or private Company.

“Sect. 3.—Every Company above described shall be at liberty either to join or to leave the Association at any time.

“Sect. 4.—For the purpose of carrying out the objects in Sect. 1, the Association shall hold an annual meeting of its members in a town within the limits of its operations, and, if possible, where a Fire Assurance Company is established. The choice of the locality shall always be made in the previous year, by the decision of the majority of the members present at the general meeting.

“Sect. 5.—Every Fire Assurance Company forming part of the Association shall send to the general meeting a delegate entitled to vote, who may be also accompanied by another delegate.

“Sect. 6.—For the conduct of the transactions and business, every Assembly shall in like manner, a year before, name a committee by a majority of votes, a president, a vice president, and a secretary.

“Sect. 7.—The committee shall send out the invitation to the meeting, provide the the necessary accommodations, and announce, previous to each meeting, the propositions and subjects for consideration which are to be brought before the notice of the members.

“Sect. 8.—Votes on questions under discussion have only for object to settle differences of opinion and to carry out the resolutions which, according to the decision of the majority, concern the common interests of fire insurance business and of the Association. Resolutions which tend to restrict or to affect the principles or management of the business of the different Companies cannot be entertained by the meeting.

“Sect. 9.—The general expenses of every meeting, for the accommodation required, charges for printing, &c., shall be borne by the members in common.”

S. B.
